GOVERNMENT OF INDIA
LABOUR
LOK SABHA

UNSTARRED QUESTION NO:3914
ANSWERED ON:13.12.2000
ECONOMIC AND GLOBALISATION POLICY
SANJAY PASWAN

Will the Minister of LABOUR be pleased to state:

(a) whether the new economic and globalisation policies have led to increase in poverty and unemployment in the country;

(b) if so, whether the Government will take a decision to reconsider over this anti-people economic policy; and (

(c) if not, the contents of the review made about the effects of the existing economic policy on the rural economy of the country from 1980 till date?

Answer

MINISTER OF LABOUR (DR. SATYA NARAYAN JATIYA)

(a) & (b) The average annual growth rate of overall employment (both Organised and unorganised sector) after continuous declining from 2.75% in the period 1972-78 to 1.77% in 1983-1988, increased to 2.37% in the period 1987-1994. Thus the broad trends of growth in the post reform period indicate that the impact of economic and globalisation policies on employment have been, by and large, positive. The incidence of poverty expressed as percentage of people below the poverty line has declined from 54.9% in 1973-1974 to 38.9% in 1987-1988 and further to 36% in 1993-1994. Although estimates of poverty ratios in subsequent years are not available, increase in overall economic growth is expected to have led to further reduction in poverty.

(c) In the pre-reform period the agricultural sector had grown at the rate of 3.16% per annum from 1981-82 to 1985-86 and at the rate of 3.59% per annum from 1985-86 to 1989-90. In the post reform period however, the agricultural sector has registered a higher growth rate of about 3.9% during the Eighth Plan period (1992-97).